

ICPS newsletter

State accountability assures the quality of public administration

A new issue of the bulletin Gosudarstvennoe upravlenie v perekhodnykh ekonomikakh (Russian language version of the Local Government Brief) will be coming out in early December 2003, commissioned by the Open Society Institute's "Local Government Initiatives" (LGI) program and published by the International Centre for Policy Studies. This issue will feature problems of administrative violations, and of accountability as an antidote to such malfeasance

Aside from the voting booth, the primary place in which the vast majority of any country's population comes into direct contact with the institutions of governance is the local government agency. The quality of such contact significantly impacts the well-being of individuals, as well as the entire society. Efficient, effective state institutions at the local level help citizens to manage personal risks, ensure more equitable allocation and sustainable development of resources, create a more favorable business climate, and even reduce the likelihood of civil conflict.

Particularly in a country yet to develop a steady economy with a reasonably equitable allocation of resources and strong social cohesion, creating effective institutions at the local level requires a socially inclusive approach. Local administrative agencies, must be accountable to the broad public they serve, and not solely to a small group of internal or external elites. Otherwise, they risk hindering both long-term, broad-based economic growth and democratic reform.

Despite its popular use, accountability is often ill-defined. General definitions include the obligation of individuals or agencies to provide information about, or justification for, their actions to others.

Accountability: Three types

In terms of relations, holders, and instruments, accountability can boil down to three main types:

1. Financial accountability. Financial accountability concerns tracking and reporting on the allocation, disbursement, and utilisation of financial resources, using the tools of auditing, budgeting, and accounting.

The operational basis for financial accountability begins with internal agency financial systems that follow uniform accounting rules and standards. Beyond individual agency boundaries, finance ministries and, in some situations, planning ministries exercise oversight and control functions regarding line ministries and other executing agencies. Since many executing agencies contract with the private sector or with nonprofit organisations, these oversight and control functions extend to cover public procurement and contracting.

2. Performance accountability.

Performance accountability refers to demonstrating and accounting for performance in light of agreed-upon performance targets. Its focus is on the services, outputs, and results of public agencies and programs. Performance accountability is linked to financial accountability in that the financial resources to be accounted for are intended to produce goods, services, and benefits for citizens, but it is distinct in that financial accountability's emphasis is on procedural compliance, whereas performance accountability concentrates on results.

3. Democratic/political accountability.

In essence, democratic/political accountability has to do with the institutions and mechanisms which seek to ensure that government delivers on electoral promises, fulfills the public trust, aggregates and represents citizens' interests, and responds to ongoing and emerging societal needs and concerns. Beyond elections, however, democratic/political accountability encompasses citizen expectations for

how public officials act to formulate and implement policies, provide public goods and services, fulfill the public trust, and implement the social contract.

Accountability layers and holders

Apart from the mentioned typology, accountability is also classified by vector as horizontal or vertical. Horizontal accountability is assured within the public administration system, when controlling institutions supervise others (or by hierarchy). Vertical accountability holders are outside the government (they can include civic society organisations, citizenry, mass media, associations of enterprises, etc.).

The bulletin offers different instruments of accountability that match its different types, holders, and layers. This data is presented in the form of convenient tables, some of which directly focus on the analysis of potential losses and benefits from the practical application of specific instruments.

Difficulties in increasing accountability

In order to increase accountability and reduce administrative violations, reform makers encounter a number of problems:

- uncondusive cultural and historical antecedents;
- lack of institutional capacity;
- the need to choose between administrative control and autonomy of government officials;
- the existence of multiple accountability holders, which creates the problem of competing interests;
- an over-emphasis on punishment, resulting in neglect of the general goal of increasing the quality of public administration.

This issue of the bulletin also relates the experience of many countries in Central

and Eastern Europe, Transcaucasia, and Central Asia, and their efforts to resolve problems of assuring accountability and eliminating abuses of power. Examples are given of various instruments used to assure government accountability and

reduce the number of violations and abuses, ranging from advisory committees to administrative appeals systems.■

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perekhodnykh ekonomikakh on a regular basis, please contact Maksym Korepanov at tel.: +380-44-236-5464 or e-mail to marketing@icps.kiev.ua. The publications archive can be found on the ICPS web-site <http://www.icps.kiev.ua/>.

NGOs facilitate cooperation of parliaments of Ukraine and Bulgaria

A joint project carried out by Ukraine's and Bulgaria's think tanks allowed Ukrainian parliamentarians to study the experience of their Bulgarian colleagues in preparation for integration into the European Union, which Bulgaria is to join in May 2004. The initiative of two non-governmental analytical centres established cooperation between the Verkhovna Rada Committee on European integration and its counterpart in the parliament of Bulgaria

The International Centre for Policy Studies together with the European Institute (Bulgaria) are implementing a project aimed at sharing the Bulgarian experience in European integration with Ukraine. During the first stage of the project, a visit was organised for representatives of the Committee for European Integration of the Verkhovna Rada of Ukraine to corresponding institutions in Bulgaria. Ukrainian parliamentarians studied the Bulgarian experience of European integration and the role of governing institutions (Ministry of Foreign Affairs, Presidential Administration, Parliament) in that process.

Bulgarian counterparts shared the experience of European integration and the EU accession on the following issues:

- coordination mechanisms of Bulgaria's European integration;
- Bulgaria's experience of negotiations with the European Commission;
- technical approaches to harmonisation of Bulgaria's legislation;
- Role of Communication strategy for the Preparation of Bulgaria for Membership in the European Union (so-called "pro-European propaganda") in raising public awareness and support of the country's integration and accession¹;

- importance of cooperation between the government and parliament for effective implementation of the objectives in the process of EU accession (importance of majority in the parliament);
- importance of special training for experts on EU-related issues (Parliamentary Committees, ministries, translation agencies, etc.)

The possible role of Bulgaria as Ukraine's advocate in the European Union was also discussed.

The following recommendations for further cooperation were initiated and discussed:

1. To sign a Declaration "On Ukraine-Bulgaria Cooperation in the Sphere of European Integration at a Parliamentary Level";
2. To organize a program for exchange of experience in legislation harmonisation and to establish a training program for the Committee's secretariat on related issues;
3. To discuss the possibility of changing Bulgaria's visa policy towards Ukraine in order to have a free-visa regime for Ukrainian citizens and a no-visa regime for Bulgarians, at a Parliamentary-Governmental level;
4. To second an ICPS expert to the Committee for European Integration of

the Verkhovna Rada in order to provide analytical and methodological support to the Chairman and the Committee.

The second stage of the project will include preparation of two policy papers on the role of national parliaments in the process of European integration. Papers will be prepared by ICPS and EI experts in cooperation with the Committee for European Integration of the Verkhovna Rada of Ukraine and the respective Committee at the Bulgarian Parliament. Both papers will be disseminated among project participants (both committees) and presented to the Ukrainian and Bulgarian experts on European integration.

It was suggested by both parliamentary committees on European integration that the European Institute and the International Centre for Policy Studies should continue to exercise a role of cross-border intermediaries, which would contribute to the advancement of Bulgarian-Ukrainian cooperation in the context of European integration at a parliamentary level.■

"Policy Institutes as Strategic Intermediates In the Process of Cross Border Transfer of EU Accession and Association Experience Between Policy Decision Makers: Ukrainian – Bulgarian Parliamentary Perspective" project is implemented by the International Centre for Policy Studies (Ukraine) and European Institute (Bulgaria) with the support of Open Society Institute/Local Government and Public Service Reform Initiative. For further information, please contact Olga Shumylo at tel. +380-44-236-3740 or by e-mail: oshumylo@icps.kiev.ua.

¹ "It is important to draft a communication strategy and to launch its implementation as early as possible. We, Bulgarians, were late", was stated by one of the representatives of the Bulgarian Parliament.

icps newsletter is a weekly publication of the International Centre for Policy Studies, delivered by electronic mail.

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